

W-2 CONTRACT EXHIBIT A

RFP Appendix 9.14: W-2 CONTINGENCY FUND

INTRODUCTION

The W-2 program provides a broad array of employment and training services to help eligible Wisconsin residents obtain and maintain viable, self-sustaining employment. To meet this objective, W-2 agencies manage multiple employment support programs, such as Food Stamps, Medicaid/BadgerCare and Child Care, for eligible working families. Families temporarily incapable of self-sufficiency through unsubsidized employment may be placed in W-2 payment positions while overcoming barriers to independent employment.

Providing supportive services to an ever-increasing number of families who are above the eligibility levels for cash benefits is a positive outcome for W-2 agencies and is supported by the performance bonus criteria built into the W-2 contract.

Extraordinary and unmanageable increases in W-2 cash benefit caseloads due to economic downturn or a crisis beyond the control of the W-2 agency may be addressed by disbursements from the W-2 Contingency Fund subject to approval by the Legislative Joint Committee on Finance. This document describes the criteria and process under which Contingency Funds may be requested.

Contingency Funds are a last resort source of funding. The Department expects agencies will use all other unallocated TANF resources at the disposal of the W-2 agency via contract with the Department and make an effort to maximize the use of resources of agencies and local partners.

CRITERIA FOR ACCESS

Agencies must meet all of the following criteria:

1.
 - A. Agency W-2 cash benefit caseload has increased due to an economic downturn. An economic downturn is defined as at least a one percent (1%) decrease in employment in the agency's county or regional geographic area based on the monthly, seasonally adjusted current employment statistics report compiled by the Department.
 - or**
 - B. Agency cash benefit caseload has increased due to crisis beyond the control of the agency.
2. Prior to the end of the contract, without Contingency Funds, agencies will exhaust:
 - A. Contract dollars – One hundred percent (100%) of the State's budget estimate for benefits; and have expended the services/administration budget to the extent where further expenditures would result in an insufficient budget to maintain adequate services and operations. "Adequate services" includes, but is not limited to the following:
 - No waiting lists
 - Meeting the Department's minimum caseload ratios (RFP section 7.2.1, Staffing, Staff Qualifications and Staff Training – Summary)
 - Not limiting hours of operations
 - Meeting the Department's policy requirements;
 - and**
 - B. Demonstrate adequate steps that have been taken to utilize appropriate resources of local partners and other agencies.
3. Agency expenditures to-date under the Contract have been reasonable as determined by the State upon receipt of a request for contingency funds.

PROCESS

1. Submit requests through the DES Regional Offices/Department's Contract Managers, include the following:

- A. AGENCY JUSTIFICATION

- 1) Documentation agency has met criteria for accessing Contingency Funds. A way for agencies to greatly strengthen the required documentation is to document that Community Reinvestment dollars also have been completely expended, particularly if the Community Reinvestment expenditures were made to continue W-2 program operations. The Department and the requesting agency will review the previously approved Community Reinvestment plan (if the W-2 agency has Community Reinvestment funding) and mutually determine whether the plan is still appropriate in view of the changed circumstances. The Department and the W-2 agency then must agree on an amended Community Reinvestment plan as a full or partial alternative to an application to the Joint Finance Committee for the use of Contingency Funds.
- 2) Document contract to-date and projected expenditures including the rationale for contract to-date and projected expenditures.

- B. AGENCY PROACTIVE/REACTIVE ACTIONS

Describe the actions taken by the agency both before and after the economic downturn or crisis that were intended to avoid/mitigate the need to access Contingency Funds.

2. DEPARTMENT DECISION

Within thirty (30) days of receipt of a completed request, the Department will notify the agency of its decision. If the decision is to recommend allocation of Contingency Funds, the Department will prepare a request for DOA submission to the Legislative Joint Committee on Finance.